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CURRENT SUPPORT MEMORANDUM

"LEAP FORWARD" IN RAILROAD CONSTRUCTION DURING CHINA'S
SECOND FIVE-YEAR PLAN (1958-1962)

OFFICE OF RESEARCH AND REPORTS

CENTRAL INTELLIGENCE AGENCY

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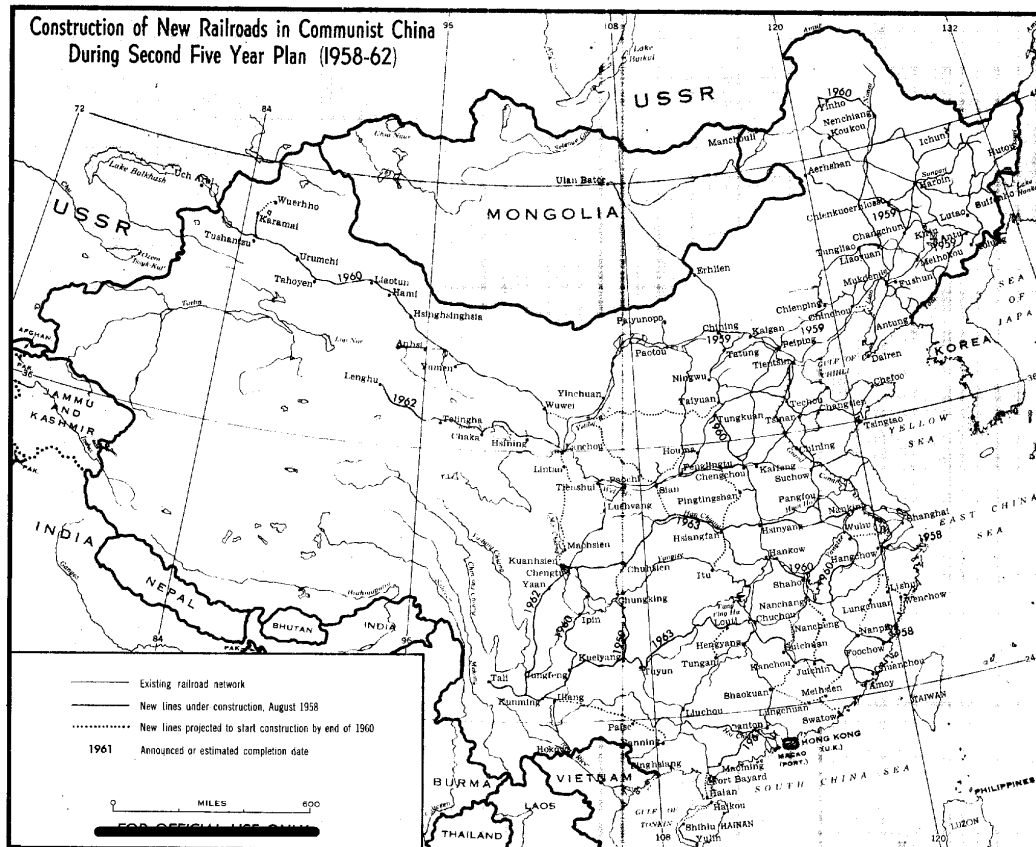
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**"LEAP FORWARD" IN RAILROAD CONSTRUCTION DURING CHINA'S
SECOND FIVE-YEAR PLAN (1958-1962)**

Current activity in new railroad construction in Communist China indicates that both the original 1958 and Second Five-Year Plan (1958-1962) goals for new line will be overfulfilled considerably. The original 1958 plan scheduled a capital investment of 1.52 billion yuan for railroads and set a goal of 1,290 km of new lines to be constructed during the year, both well under the totals in these categories in 1956. 1/ By mid-1958, 640 km of new lines



had been constructed. 2/ On the basis of past performance--in 1956 only 500 km of the years total of 1,747 km were completed by mid-year 3/--China should lay between 1,500 and 2,000 km of new track in 1958.

The original version of the Second Five-Year Plan called for the completion of 8,000-9,000 km of new line, roughly twice the amount planned in the First Five-Year Plan. 4/ The acceleration of current construction--exemplified by completion of the Paotou-Lanchow line, expanded 1958 tracklaying goals for the Trans-Sinkiang and Neichi-Kunming lines, the start of construction on the 3,000-km Fukien-Yunnan and the 1,400 km Chengtu-Pukou lines--and the projection of an additional 5,000 km of new lines suggest that considerable overfulfillment of the original tracklaying goal in the

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Second Five-Year Plan is in prospect. In March 1958 the Ministry of Railroads stated that 15,000 km of new lines would be constructed during the period, and that the construction cost per km would be lowered from 566,000 yuan to 400,000 yuan. 5/ Supporting this sharply boosted goal was a July 1958 announcement by the Railroad Engineering Corps of the People's Liberation Army that it would lay 10,000 km of track in the Second Five-Year Plan, or double its previous goal. 6/ If the corps is used, as in the past, on exclusively mainline construction, and if it builds 40 percent of all new lines as it did in the First Five-Year Plan, then a total of 25,000 km (roughly three times the original Plan) of new line will be built during the next five years. This figure is obviously too high and suggests either that the corps will do less than its programmed 10,000 km of new lines or that the corps will perform well over 40 percent of total new lines construction (thus diminishing the role of ministerial construction cadres in the field), or both. It is believed that some 15,000 to 20,000 km of new line will be constructed during the Second Five-Year Plan.

The orientation of present and projected new lines is as significant as the increased tracklaying goal. Both the increased building and its orientation are doubtless designed to help effect the current "giant leap forward" in economic development. Orientation of new lines has these characteristics:

1. Lateral lines, chiefly east-west, are being constructed which will bring a greater measure of mobility to the existing, predominantly north-south, trunk routes.

2. Cutoff lines are being constructed or are planned to be constructed to shorten runs on important routes both in distance and time, by making it possible for through trains to avoid heavily used junctions such as Tientsin, Mukden, and Tatung.

3. Lines are under construction which will link the transport-poor Southwest with the existing railroad network.

4. Local authorities are being encouraged to construct short, low-capacity railroad branches and spurs for industrial, mining, forestry, and agricultural use.

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